



December 19, 1997

Mr. Henry L. Blosser & Staff
West Virginia Network for Educational Telecommuting
837 Chestnut Ridge Road
Morgantown, West Virginia 26505

Dear Henry:

In October of 1996, Intermedia Communications formed one of its first vertical market groups, the Government Sales Division. To strengthen our focus we hired George Christenberry, a former Deputy Commissioner of Telecommunications for the State of Georgia, as the Divisional Vice President to develop our strategy and lead our staff. Now building on the foundation of over 40 million dollars a year worth of contracts in Florida and New York, Intermedia is committed to the prospect of building meaningful and long term relationships with State, Local, and Federal Government customers.

In June of 1997, Intermedia made a significant investment in its future and the future of Internet services with the \$150 million cash acquisition of Digex, Incorporated. One of the largest and few top tier Internet service companies in the world, Digex brought to Intermedia a suite of products including business Internet connectivity, web site management, and recognized industry leadership.

I present to you this RFP response that represents the culmination of these events!

Under the guidance of a dedicated Government Account Team, Intermedia proposes the Internet services of Digex Incorporated, its wholly owned subsidiary. As one of a select group of first tier Internet carriers that has a national DS3 and greater backbone, peering relationships with other major carriers at key exchange points around the country, existing state government customers, and a world class staff of Internet professionals, I am sure you will find that Intermedia's proposal meets and exceeds the requirements of your RFP.

It is with great pleasure that I, as well as your government account team and the entire staff of Digex submit the following proposal for Internet services to WVNET. Mission critical Internet support takes more than just technology - it takes people. That is why I know for a fact that Intermedia Communications with Digex is the best company that you can choose as your next Internet service provider.

Respectfully and with Great Expectation,

Gary M. Coleman
Director of Government Sales



1.0 Company Overview

INTERMEDIA COMMUNICATIONS

Intermedia Communications is the fourth largest frame relay provider in the nation, and with its acquisition of DIGEX in July 1997, the company solidified its presence as a first-tier Internet Service Provider. Since the company's founding in 1986, Intermedia has established its reputation and customer base by successfully implementing innovative products and services that fulfill the specialized needs of each customer.

Intermedia's strategy is to expand and strengthen its service offerings through network build-out, partnerships, and acquisitions. Intermedia's world headquarters is located in Tampa, Florida, with offices throughout the United States, including nearly 40 fully staffed regional offices throughout the country.

Intermedia offers public and private sector business customers a full suite of integrated enhanced telecommunications services via its own network facilities and through partnerships with major carriers in the United States and abroad. The company's primary distinction is our ability to offer a broad range of enhanced data transport services—including Internet, and frame relay services—in cost-efficient, integrated packages tailored to meet our customers' evolving telecommunications needs.

Intermedia's mission is to be the premier provider of complete telecommunications services – allowing customers to have all of their telecommunications needs met with one simple, integrated package from one expert provider. Through our network and partnerships with local exchange carriers (LECs) and interexchange carriers (IXCs) across the country, Intermedia offers enhanced data transport services – including frame relay and a full range of business Internet connectivity and web hosting services – along with other basic services. We offer these products either separately or bundled in a cost-efficient, integrated service package.



Headquartered in suburban Washington, DC, DIGEX is widely respected and known for offering a total Internet solution for businesses and government entities. Founded in 1990, DIGEX provides world-class Internet services and support to organizations that consider the Internet a critical part of their daily operations. DIGEX provides a full range of Internet access solutions, hardware, security, installation, and maintenance products designed to meet the needs of corporations and government bodies today and in well into the future, including:



- *Web Site Management* - DIGEX built and operates the largest dedicated server Web site management facility in the world. Companies are offered a full suite of scaleable hardware on both the UNIX and Microsoft NT 4.0 platforms, software, electronic commerce solutions, and industry-respected support.
- *Private Networks* - DIGEX creates customized solutions for organizations looking to provide Internet services to their customers under their own private label.
- *DIGEX's Industrial Strength, Gold Ring DS-3 Network* - Along with its commitment to providing world-class services and support, DIGEX has engineered one of the fastest and most reliable Internetworks available. This Industrial Strength, clear channel network consists of bi-directional DS-3 (T3 45-Mbps) rings extending from coast-to-coast. DIGEX also maintains multiple high-speed FDDI (100 Mbps) and, most recently, OC-12 (SONET 622 Mbps) connections to the major Internet peering and access points.

DIGEX has over 2,000 customers and a staff of 450 people, including approximately 300 in operations, executive management, and support. The combined company of Intermedia and Digex have annualized revenue of almost 500 million dollars per year, 35,000 business and government customers, and over 2,600 employees.



1.1 Company Partnerships

When it comes to the Internet, there is strength in names, not just numbers. To deliver the industry's best Internet solutions, your network and facilities must be built using the best technology available. That's why DIGEX has made a commitment to developing strategic relationships with the industry's leading technology providers. Every element of the DIGEX network is based on components from world-class companies, including:



First National Internet Carrier To Be a "Cisco Powered Network"™

DIGEX is the only first-tier national Internet carrier exclusively deploying Cisco equipment. Cisco products are known throughout the industry for high performance, serviceability, reliability, and low error and data loss rates. DIGEX was the first national Internet carrier to earn the designation of "Cisco Powered Network."



Only Internet Carrier To Be Named A "Microsoft Solutions Provider"

DIGEX and Microsoft jointly launched the world's first Windows NT 4.0 web server product line in September 1996. Today, DIGEX maintains the world's largest dedicated server facility using the Windows NT 4.0 technology. DIGEX also manages a Microsoft Internet Explorer 4.0 download site.



Compaq - The Single Source of Quality
DIGEX entered into a strategic relationship whereby Compaq is the single source provider for all hardware requirements for our Windows NT 4.0 product line.



A Sun Internet Associate Member

DIGEX also operates the world's largest dedicated server Web site management facility utilizing Sun hardware. DIGEX is a Sun Value Added Reseller (VAR) and a member of Sun's Internet Associate Program.



NETSCAPE

Netscape Applications Meet Critical Needs

DIGEX and Netscape are partners in developing commercial Internet applications that help our customer's Web sites become more productive and secure in handling their most critical business operations



Raptor Premier Security Solutions

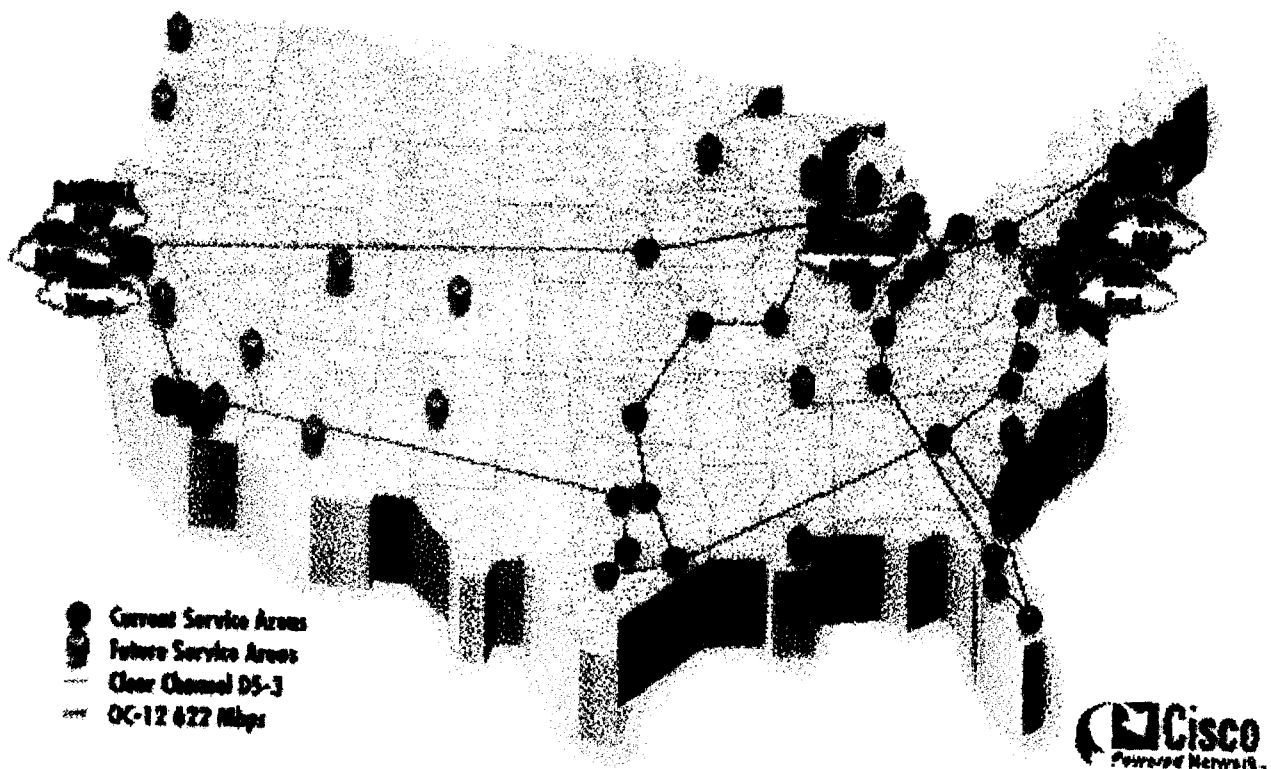
DIGEX has partnered with Raptor Systems, the premier Internet security solutions provider, to offer the best turnkey security options for our customers.



1.2 The Network

DIGEX is one of a select group of first-tier Internet carriers that has peering relationships with other major carriers - all of whom have proven superior technical qualifications - at the key Internet exchange points around the country.

The DIGEX GoldRingSM network uses a fully-redundant, nationwide DS-3 and OC-12 architecture connected to six Network Access Points (NAPs) around the country. The network is managed entirely by DIGEX, and every DIGEX Point Of Presence (POP) is collocated in a telco-grade facility with uninterruptible power supplies and diesel backup generators on-site. Those are just some of the reasons we have an outstanding record of 99.9% up time across our network.



For more information call us at 1 800 99 DIGEX or visit us at www.digex.net

12/19/97

Key features of the DIGEX network include:

1.2.1 High-speed access.

DIGEX maintains multiple FDDI (100 Mbps) and DS-3 (45 Mbps) connections to the largest of peering and access points: MAE-East - including our new OC-12 (SONET 622 Mbps) ring, MAE-West, NY NAP, DEC NAP, PAC BELL NAP and Ameritech NAP.

**1.2.2 Fault-tolerant architecture.**

By constructing its network as a fault-tolerant ring with no single point of failure, DIGEX is working toward its goal of having 100 percent uptime for its customers. In case of a circuit outage, packets can be routed around it, avoiding unnecessary downtime. In addition, DIGEX has uninterrupted power supply (UPS) generators and back-up diesel generators at its POPs to protect against power outages.

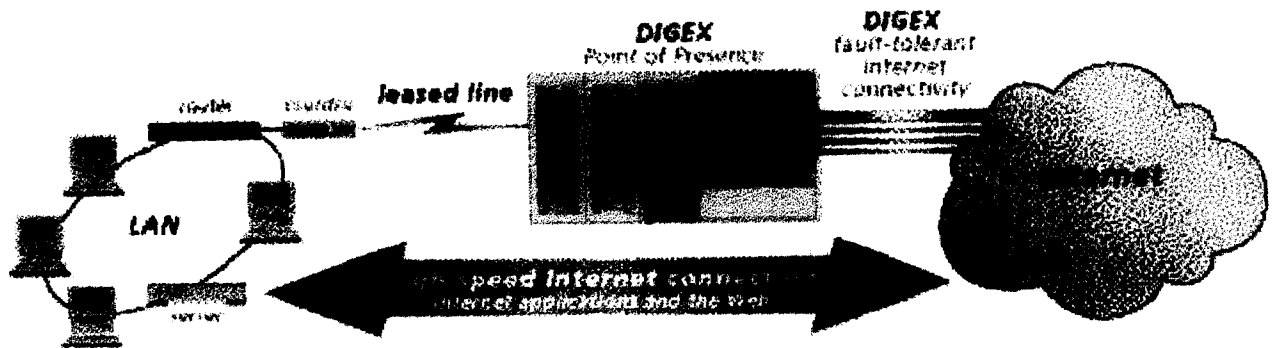
1.2.3 Hardware

DIGEX utilizes 100% Cisco equipment including top-of-the-line Cisco 7000 routers, combining Cisco Systems' proven software technology with exceptional reliability, availability, serviceability, and performance features. Routers are used in hubs, rather than switches, to minimize errors, packet loss and performance measuring difficulty. DIGEX is the first National Internet Carrier to be designated as a Cisco Powered Network.



1.3 WVNET Solution Specifics

In compliance to the RFP, DIGEX proposes connectivity to diverse locations on its national GoldRingSM Network at Richmond, VA and Columbus, OH. Local access is provided via dedicated DS-3 access circuits connecting directly to Cisco 7000 series routers at each of the respective DIGEX POPs. The following diagram contains a high level depiction of this access model.



1.3.1 Local Access

Access to the DIGEX GoldRing network will be provided via dedicated DS3 circuits connected directly to Cisco routers located at a DIGEX POP in Cincinnati, OH or Raleigh, NC, depending on the location. The following table itemizes this connectivity.

SITE	NPA-NXX	LATA	DIGEX POP
Morgantown	304-293	256	Raleigh
Charleston	304-558	254	Cincinnati

1.3.2 Burstable T3 Port

If WVNET is like most users of the Internet, your bandwidth requirements fluctuate from month-to-month. For example, utilization may be less during summer months when school is not in session. This means that paying for an entire T3 may be a waste of funds if real utilization is actually something less. The DIGEX burstable T3 provides on-demand bandwidth with flexible pricing for reliable usage based service. Burstable services guarantee T3 capabilities 100% of the time. You always have the ability to use the entire T3. If you have an important Web event to sponsor, or need to transfer a large amount of information quickly, or just have a sudden surge in usage, the necessary bandwidth is ready and waiting.

The advantage of the Burstable T3 is you don't pay while you wait and grow!



To calculate the cost of the Burstable T3, DIGEX determines your bandwidth utilization by directly monitoring the traffic on your Internet circuit. All month the usage is sampled, and DIGEX discards the samples in the top 10% of your overall utilization. Your monthly charge is then determined by the 90th percentile. A schedule of these charges is set forth in Exhibit 1, the Cost Proposal.



1.4 Customer Support

The more critical the Internet is to WVNET, the more you need Intermedia and DIGEX customer support.

Beginning with the WVNET Account Team, you will interface with individuals that understand data communications, the Internet, *and State Government*. Your account manager, Chris Gatch, is a computer engineering graduate with specialized skills in handling large, complicated government customers. Your Project Manager, Cliff Duffey, is also a computer engineer and skilled in the implementation and management of data networks including Internet access services. He has been involved in the implementation of over 2000 data circuits in the State of Florida alone. The Director in charge of West Virginia, Gary Coleman, is a telecommunications veteran who worked at BellSouth Business Systems focused on State Government for over 20 years. The Vice President of Government Sales, George Christenberry, is a former Deputy Commissioner of Telecommunications for the State of Georgia. Using our experience as our guide, your account team will work diligently to understand and meet your requirements through the sales, implementation, and operational phases of your project.

Backing the WVNET Account Team is DIGEX world class customer support 24 hours per day, 365 days per year. Our customer support staff consists of extensively trained and experienced Internet technicians who can help you with all of your Internet service needs. Support is available by phone or e-mail and is included as a standard part of our service.

At Intermedia and DIGEX, we listen to the customer.

Everything we offer in the marketplace - from the industry's most robust product line and competitive pricing, to unbeatable network security, to the industry's leading service and support teams - comes from responding to our customers' wants and needs.

We believe that there is no such thing as too much customer service. That is why DIGEX has invested more in customer service than any other Internet carrier. That is why Intermedia created an entire division dedicated solely to the prospect of building long-term relationships with government customers. We recognize that figuring out the next move is easy - the customer will lead the way *if* we simply listen and respond.

**REPLY TO SPECIFICATIONS**

Connectivity via multiple dedicated DS3s starting with a connection in Morgantown, WV and a connection in Charleston, WV.

Response

Read, Understood and Comply.

Each site connected to a different point of presence (POP) within the provider's network for reliability and redundancy.

Response

Read, Understood and Comply. Connectivity to Morgantown and Charleston will be provided as follows:

SITE	NPA-NXX	LATA	DIGEX POP
Morgantown	304-293	256	Raleigh
Charleston	304-558	254	Cincinnati

Each DIGEX POP is located in a telco grade facility with backup power and proper site management. A Cisco 7000 series router is installed in each POP and trunked by a minimum of 2 DS3's which can each route to 6 Network Access Points including MAE East and MAE West across the DIGEX Goldring Network.

The provider must have a high-speed network backbone of DS3 speed or better nationwide with connections to at least some of the major Network Access Points (NAPs) (MAE-East, MAE-West, San Francisco NAP, Chicago NAP, New York NAP, and CIX-SMDS). Vendor must include the structure of their backbone and what NAPs they connect to.

Response

Read, Understood and Comply. The DIGEX GoldRingSM network uses a fully-redundant, nationwide DS-3 and OC-12 architecture connected to six Network Access Points (NAPs) around the country. Connectivity to these NAPs includes multiple FDDI (100 Mbps) and DS-3 (45 Mbps) connections to the largest of peering and access points: MAE-East - including our new OC-12 (SONET 622 Mbps) ring, MAE-West, NY NAP, DEC NAP, PAC BELL NAP and Ameritech NAP. The network is managed entirely by DIGEX, and every DIGEX Point Of Presence (POP) is collocated in a telco-grade facility with uninterruptible power supplies and diesel backup generators on-site. Those are just some of the reasons we have an outstanding record of 99.9% up time across our network.



The network is designed for reliability. By constructing its network as a fault-tolerant ring with no single point of failure, DIGEX is working toward its goal of having 100 percent uptime for its customers. In case of a circuit outage, packets can be routed around it, avoiding unnecessary downtime. In addition, DIGEX utilizes 100% Cisco equipment including top-of-the-line Cisco 7000 routers, combining Cisco Systems' proven software technology with exceptional reliability, availability, serviceability, and performance features. Routers are used in hubs, rather than switches, to minimize errors, packet loss and performance measuring difficulty. DIGEX is the first National Internet Carrier to be designated as a Cisco Powered Network. A diagram of our network can be seen on page 6.

The protocol used over the DS3s must be one that WVNET's Cisco router can use, such as frame-relay or Switched Multimegabit Data Service (SMDS).

Response

Read, Understood and Comply. Connectivity to the DIGEX GoldRingSM network will be provided via a dedicated DS3 access circuit. Since the result will be a point-to-point circuit between two Cisco routers, an appropriate protocol such as SDLC will be used. Given the common equipment manufacturer and circuit simplicity, compatibility with WVNET's router will not be a problem.

As WVNET and its users own 3 Class "B" IP address ranges and many Class "C" IP address ranges, the provider must be willing to work with the agencies or companies necessary to move these address spaces to their network.

Response

Read, Understood and Comply. Intermedia/DIGEX will broadcast and route the addresses you have.

The provider must have a Network Operations Center (NOC) with 24 hours a day, 365 days a year availability with on-duty network engineers. The NOC must be reachable by an 800 phone number.

Response

Read, Understood and Comply. DIGEX operates an around-the-clock network operations center (NOC) at its Beltsville headquarters, where engineers constantly monitor DIGEX's internal network and connections to the Internet to ensure that customers have full-time, high-speed access and the highest level of security possible. The toll free support number is 1-800-250-9999.



The provider must be able to supply usage statistics on a weekly and/or monthly basis.

Response

Read, Understood and Comply.

In Morgantown, WVNET currently has a Cisco 7513 with a HSSI card and a Larscom CSU/DSU for Internet connectivity via DS3. The provider must specify whether this equipment may be used or if they require or prefer other equipment. For the Charleston location, the vendor must specify what equipment they feel is needed at a minimum and whether they will provide it or whether WVNET needs to provide it. If the vendor is providing equipment, the cost of the equipment and installation must be included in this response.

Response

Read, Understood and Comply. The existing Cisco 7513 and Larscom CSU/DSU will work with DIGEX Internet service. A duplicate equipment configuration will also be appropriate for the Charleston location and should be provided by WVNET.

DIGEX will gladly supply Cisco and Larscom equipment to WVNET should they request, but for simplicity, it has not been included in this proposal. It seems logical to handle this request during the negotiation phase of award. WVNET is not required to purchase equipment from DIGEX to use its Internet service.

During the period of establishing Internet connectivity, the vendor must provide WVNET an engineer that will be a single point-of-contact.

Read, Understood and Comply. Cliff Duffey, a Government Sales Operations Project Manager and Engineer, is hereby designated as a single point of contact for WVNET regarding engineering and implementation concerns.

The provider must be able to provide WVNET with a full news feed.

Response

Read, Understood and Comply. A Full news feed will be provided.

Vendor must supply a sample invoice of the monthly charges for the continued services; and a sample of the one-time fees. Vendor must agree to provide invoices to be paid in arrears in a format approved by WVNET.

Response

Read, Understood and Comply. A sample invoice is attached as Exhibit 2. A description of fees is provided on a line by line basis as seen on page 2 of the invoice.



EVALUATION CRITERIA

Upon receipt of each vendor's response, an evaluation team made up of representatives of WVNET will review each response, and confirm or deny compliance with the RFP mandatory requirements, procurement guidelines, and contractual obligations. The State intends to enter into an agreement with the apparent successful vendor with an initial term of 12 months, and options to renew each year for four (4) additional years. WVNET reserves the right to exercise the option of renewal.

Response

Read and understood.

VENDOR CAPABILITY AND STABILITY

The vendor must have at least one (1) year of experience providing, installing, integrating, and maintaining this equipment and related services, at high volume levels. All subcontractors must have at least one (1) year of experience in the services they will be providing. Financial position of vendor; e.g. (Dun & Bradstreet Rating). Vendor must explain what percentage of their volume this contract would include and how the vendor plans to handle the volume financially.

Response

DIGEX has over 2,000 customers and a staff of 450 people, including approximately 300 in operations, executive management, and support. The combined company of Intermedia and Digex has annualized revenue of almost 500 million dollars per year, 35,000 business and government customers, and over 2,600 employees. Founded in 1990 to deliver Internet services, DIGEX is a true Internet pioneer. Intermedia, founded in 1987 has been providing Internet access and related services since 1993.

As a publicly traded company (NASDAQ: ICIX), all of Intermedia's financial statements are filed with the Securities and Exchange Commission and available for public viewing. A press release detailing our financial performance through the 3rd quarter of 1997 is attached as Exhibit 3. It should be noted that this release was made prior to the acquisition of Shared Technologies which added meaningful revenue, customers, and employees.

Relative to contract volume, the services requested in this RFP would represent approximately 1/10 of one percent of our total revenue and less than 1 percent of our total Internet traffic. Due to the scope of this impact, specific plans to financially handle the contract volume are not required.

Subcontractors are not proposed.

**VENDOR REFERENCES**

Vendors must provide reference accounts who will attest to the quality of the products and services and to the responsiveness of your technical support personnel. Each of the points addressed below should be verifiable at a minimum of one of the reference accounts supplied in response to this RFP. Each reference account furnished must be independent of the vendor's company and have installed equipment of the same type as proposed.

Type of organization including:

Length of time in the computer/leasing business.

The primary nature of business; e.g. sales, leasing, manufacture.

Financial position of vendor; e.g. (Dun & Bradstreet Rating). Vendor should explain what percentage of their volume this contract would include and how the vendor plans to handle the volume financially.

Supply the following for at least three reference accounts with the comparable equipment and services currently installed and operating.

Name of site, contact person, and phone number.

Response

Read, Understood and Comply.

Contact Name:	Mr. Paul Buehler	Mr. Peter J. Arment	Mr. Robert Davis
Address:	World Bank 1909 K St., NW Rm. R-4091 Washington, DC 20433	Empire State Plaza Tower Bldg Albany, NY 12242	Department of Management Services Applied Technology Program State of Florida 4030 Esplanade Way Tallahassee, FL 32399
Phone:	202-473-2018	518-473-3943	850-922-7473
Primary Nature of Business	Banking	State Government Telecommunications	State Government Telecommunications

**VENDOR REGISTRATION**

Every person, firm, or corporation, selling or offering to sell to WVNET, upon competitive bids or proposals, or otherwise shall file with the Director of State Purchasing Division a Vendor Registration or Disclosure Statement (WV-1), in accordance with the State of West Virginia Statute 18-26-10F and have paid the \$45 registration fee with the Director of State Purchasing Division. The form must be processed and on file before the award is made. Failure to comply with this section of the proposal will result in automatic rejection in accordance with the referenced West Virginia statutes.

Resident Vendor Preference Request

State of West Virginia Preference Certificate is attached; if applicable, this is to be completed for in-state vendor preference.

Response

Read, and understood.

GENERAL TERMS & CONDITIONS FOR RFP# 26181

All quotations are governed by the West Virginia Code and the rules and regulations of the Higher Education Governing Boards.

Response

Read and understood.

Each bidder must be a registered vendor with the State of West Virginia prior to award. The vendor must also pay the registration fee.

Response

Read and understood.

All services performed or goods delivered under higher education purchase orders are to be continued for the term of the purchase order, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available for these services or goods, this purchase order/contract becomes void and of no effect after June 30.

Response

Read and understood.

Payment may only be made after the delivery, testing, and acceptance of goods or services.



Advance payments are disallowed.

Response

Read and understood.

Interest may be paid for late payment in accordance with the West Virginia Code.

Response

Read and understood.

Resident vendor preference shall be granted upon written request with the vendor's response according to the attached "Preference Certificate". Each successful vendor will be certified for a specific percentage (not to exceed 5%) for the sections of the Resident Vendor Preference that was qualified. This % shall be applied to all future bids under this contract, except in cases of reciprocity.

Response

Read and understood.

WVNET is exempt from Federal and State taxes and will not pay nor reimburse such taxes. Certificates may be requested from WVNET.

Response

Read and understood.

The WVNET Director of Purchasing may cancel any purchase order/contract upon 30 days written notice to the seller.

Response

Read and understood.

The laws of the State of West Virginia and the rules and regulations of the Higher Education Governing Boards shall govern all rights and duties under the contract.

Response

Read and understood.

The contract award is subject to the successful negotiation of terms and conditions. In the event that mutually agreeable terms cannot be reached within a reasonable period of time, the State reserves the right to undertake negotiations with the next most advantageous vendor without undertaking a



new procurement process. The State's WV-96 is attached to demonstrate State law and guidelines that must be adhered to in any vendor contracts presented to the State for execution. Your signed, original WV-96 will expedite this process if it is included in the bid package.

Response

Read and understood.

This open end contract is to become effective upon approval by the Attorney General's for one year, with options to renew for four (4) successive years.

Response

Read and understood.

Proposals should be prepared simply and economically, providing a straightforward, concise description of the vendor's capability to satisfy the requirements of the RFP.

Response

Read and understood.

The vendor will bear all costs associated with the preparation and presentation of the vendor's proposal. Neither WVNET, nor the State of WV, in general, will in any way be obligated by the vendor's response to this RFP.

Response

Read and understood.

If the proposals contain any information that the vendor does not want disclosed to the public or used by the State for any purpose other than to evaluate the proposal, such information must be included under separate cover and clearly marked as follows:

"THIS PAGE SHALL NOT BE DISCLOSED, DUPLICATED, OR USED IN WHOLE OR IN PART FOR ANY PURPOSE OTHER THAN TO EVALUATE THIS PROPOSAL."

This restriction may only apply to information that is specifically exempted from disclosure under Article 1, Chapter 28B of the West Virginia Code. (West Virginia Freedom of Information Act) All vendor quotations are considered F.O.B. Destination, Freight Prepaid and Allowed. If vendor must quote with shipping charges, a "not to exceed amount" must be provided.

Response

Read and understood.

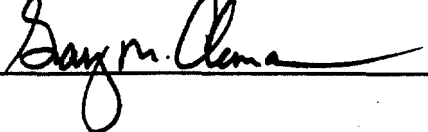


The Director of Purchasing and Manager of Telecommunications of WVNET will work with the vendor in the administration of this contract. The successful vendor must agree to meet periodically with WVNET to discuss issues, status, problems, accounting, etc. as needed. Vendor must provide ONE KEY CONTACT PERSON to handle and resolve problems with; installation, support, and administration.

Vendor must complete the attached "Vendor Fact Sheet".

Response

Read and understood. See the completed form on the next page.

**VENDOR FACT SHEET****VENDOR NAME:**Intermedia Communications, Inc.**VENDOR ADDRESS:**Government Sales Division360 Interstate North Parkway, Suite 500Atlanta, GA 30339**VENDOR FEIN NUMBER:**59-2913586**VENDOR KEY CONTACT NAME:**Mr. Chris Gatch**VENDOR KEY CONTACT PHONE:**404-720-5021**VENDOR KEY CONTACT FAX NUMBER:**404-720-5725**VENDOR SIGNATURE OF PROPOSAL:****DATE:** 12/18/97

AGREEMENT ADDENDUM

the event of conflict between this addendum and the agreement, this addendum shall control:

1. **ARBITRATION**- Any references to arbitration contained in the agreement are hereby deleted. Disputes arising out of the agreement shall be presented to the West Virginia Court of Claims.
2. **HOLD HARMLESS** - Any clause requiring the Agency to indemnify or hold harmless any party is hereby deleted in its entirety.
3. **GOVERNING LAW** - The agreement shall be governed by the laws of the State of West Virginia. This provision replaces any references to any other State's governing law.
4. **TAXES** - Provisions in the agreement requiring the Agency to pay taxes are deleted. As a State entity, the Agency is exempt from Federal, State, and local taxes and will not pay taxes for any Vendor including individuals, nor will the Agency file any tax returns or reports on behalf of Vendor or any other party.
5. **PAYMENT** - Any references to prepayment are deleted. Payment will be in arrears.
6. **INTEREST**- Should the agreement include a provision for interest on late payments, the Agency agrees to pay the maximum legal rate under West Virginia law. All other references to interest or late charges are deleted.
7. **RECOUPMENT** - Any language in the agreement waiving the Agency's right to set-off, counterclaim, recoupment, or other, defense is hereby deleted.
8. **FISCAL YEAR FUNDING** - Service performed under the agreement may be continued in succeeding fiscal years for the term of the agreement, contingent upon funds being appropriated by the Legislature or otherwise being available for this service. In the event funds are not appropriated or otherwise available for this service, the agreement shall terminate without penalty on June 30. After that date, the agreement becomes of no effect and is null and void. However, the Agency agrees to use its best efforts to have the amounts contemplated under the agreement included in its budget. Non-appropriation or non-funding shall not be considered an event of default.
9. **STATUTE OF LIMITATION** - Any clauses limiting the time in which the Agency may bring suit against the Vendor, lessor, individual, or any other party are deleted.
10. **SIMILAR SERVICES** - Any provisions limiting the Agency's right to obtain similar services or equipment in the event of default or non-funding during the term of the agreement are hereby deleted.
11. **ATTORNEY FEES** - The Agency recognizes an obligation to pay attorney's fees or costs only when assessed by a court of competent jurisdiction. Any other provision is invalid and considered null and void.
12. **ASSIGNMENT** - Notwithstanding any clause to the contrary, the Agency reserves the right to assign the agreement to another State of West Virginia agency, board or commission upon thirty (30) days written notice to the Vendor and Vendor shall obtain the written consent of Agency prior to assigning the agreement.
13. **LIMITATION OF LIABILITY** - The Agency, as a State entity, cannot agree to assume the potential liability of a Vendor. Accordingly, any provision limiting the Vendor's liability for direct damages or limiting the Vendor's liability under a warranty to a certain dollar amount or to the amount of the agreement is hereby deleted. In addition, any limitation is null and void to the extent that it precludes any action for injury to persons or for damages to personal property.
14. **RIGHT TO TERMINATE** - Agency shall have the right to terminate the agreement upon thirty(30) days written notice to Vendor.
15. **TERMINATION CHARGES** - Any provision requiring the Agency to pay a fixed amount or liquidated damages upon termination of the agreement is hereby deleted. The Agency may only agree to reimburse a Vendor for actual costs incurred or losses sustained during the current fiscal year due to wrongful termination by the Agency prior to the end of any current agreement term.
16. **RENEWAL** - Any reference to automatic renewal is hereby deleted. The agreement may be renewed only upon mutual written agreement of the parties.
17. **INSURANCE** - Any provision requiring the Agency to insure equipment or property of any kind and name the Vendor as beneficiary or as an additional insured is hereby deleted.
18. **RIGHT TO NOTICE** - Any provision for repossession of equipment without notice is hereby deleted. However, the Agency does recognize a right of repossession with notice.
19. **ACCELERATION** - Any reference to acceleration of payments in the event of default or non-funding is hereby deleted.
20. **AMENDMENTS** - All amendments, modifications, alterations or changes to the agreement shall be in writing and signed by both parties. No amendment, modification, alteration or change may be made to this addendum without the express written approval of the Purchasing Division and the Attorney General.

ACCEPTED BY:

STATE OF WEST VIRGINIA

VENDOR

Spending Unit: _____

Signed: _____

Title: _____

Date: _____

Company Name: Intermedia Communications, Inc.

Signed: Gary M. Coleman

Title: Gary Coleman - Director of Government Sales

Date: 12/18/97

Request for Bids

WVNET

837 Chestnut Ridge Road
Morgantown, WV 26505

Direct all inquiries regarding this order to: (304) 293-5192



Bid #

26181

Amendment #

endor

Intermedia Communications, Inc.
360 Interstate North Parkway
Suite 500
Atlanta, GA 30339

Phone: 404-720-5021

Fax: 404-720-5725

Sealed bids for furnishing the supplies, equipment, services or printing described below will be received by the Institution. TO RECEIVE CONSIDERATION FOR AWARD, THE BID WILL BE SUBMITTED ON THIS FORM IN ORIGINAL AND ONE(1) COPY, SIGNED IN FULL, IN INK, AND RECEIVED IN THE PURCHASING DEPARTMENT TO HAVE A DATE/TIME STAMP AFFIXED, ON OR BEFORE THE DATE AND TIME SHOWN FOR THE BID OPENING. Prices will be based on units specified. Bidders will enter the delivery date or time for each item contained herein. The Institution reserves the right to accept or reject bids each item separately or as a whole, to reject any or all bids, to waive informalities or irregularities and to contract as best interest of the Institution may require. BIDS ARE SUBJECT TO THE GENERAL TERMS AND CONDITIONS AS PRINTED ON THE REVERSE SIDE HEREOF AND AS SET FORTH HEREIN.

DATE

DELIVERY IS REQUIRED
NO LATER THAN

DEPARTMENT REQUISITION NO.

BIDS OPEN AT: 3:00 P.M.

RFP# MUST BE
DELIVERY D/
FOR EACH ITE

12/15/97

Friday, December 19, 1997

Item #	Quantity	Description	Unit Price	Extended Price
		<p align="center">Request for Proposals Amendment #3</p> <p>Amendment #3 answers additional questions which were submitted by vendors to the Director of Purchasing regarding RFP#26181 (see attached).</p> <p>Amendment #2 extended the opening from 3:00pm, Friday, December 12, 1997 to 3:00pm, Friday, December 19, 1997.</p> <p>Amendment #1 answers questions which were submitted by vendors to the Director of Purchasing.</p> <p>Original RFP#26181 was distributed on 11/26/97. The objective of this RFP is to establish a contract with a vendor for one to five years to supply all parts and labor for dedicated Internet connectivity with multiple DS3's.</p> <p>Vendor must submit bid responses (1 original & 4 copies) in a SEALED envelope by 3:00pm, Friday, December 19, 1997 to the following:</p> <p align="center">Procurement Services (RFP#26181) WVNET 837 Chestnut Ridge Road Morgantown, WV 26505</p>		

Total

To the Purchasing Department,
In compliance with the above, the undersigned offers and agrees, if this offer is accepted within _____ calendar days (30 calendar days unless a different period is inserted by the purchaser) from the bid open date, specified above, to furnish any or all items upon which prices are offered, at the price set opposite each item, delivered at the designated point(s), within the time specified.

Bidder guarantees shipment from _____

Via _____ within _____ days

DB _____ after receipt of order at address shown.

TERMS _____

Bidder name Intermedia Communications, Inc

By Gary Coleman

Street Address 360 Interstate North Parkway

City and State Atlanta, GA 30339

Date 12/18 19 97 Phone 404-720-5718

TERMS AND CONDITIONS

Revised 3/20/96

ACCEPTANCE: Seller shall be bound by this Order and its terms and conditions upon receipt of this Order. This Order expressly limits acceptance to the terms and conditions stated herein. Additional or different terms proposed by the Seller are objected to and are hereby rejected, unless otherwise provided for in writing by the Buyer and approved by the Attorney General.

2. APPLICABLE LAW: The laws of the State of West Virginia and the Procedural Rules of the Governing Board having jurisdiction shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.

3. ASSIGNMENT: Neither this Order nor any monies due, or to become due hereunder, may be assigned by the Seller without the Buyer's consent.

4. BUYER: For the purposes of these Terms and Conditions, the "Buyer" means the institution purchasing goods and services for which a Purchase Order has been lawfully issued to the Seller.

5. CANCELLATION: The Buyer may cancel any Purchase Order/Contract upon 30 days written notice to the Seller.

6. COMPLIANCE: Seller shall comply with all federal, state and local laws, regulations and ordinances including, but not limited to, the prevailing wage rates of the W. Va. Division of Labor, if applicable.

7. DELIVERY: For exceptions to the delivery date as specified in the Order, the Seller shall give prior notification and obtain the approval of the Buyer. Time is of the essence of this Order and it is subject to termination by the Buyer for failure to deliver on time.

8. DISPUTES: Disputes arising out of the agreement shall be submitted to the West Virginia Court of Claims.

9. HOLD HARMLESS: The Buyer will not agree to hold the Seller or any other party harmless because such agreement is not consistent with state law.

10. MODIFICATIONS: This writing is the parties' final expression of intent. No modification of this Order shall be binding unless agreed to in writing by the Buyer.

11. NON-FUNDING: All services performed or goods delivered under this Purchase Order/Contract are to be continued for the term of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.

12. ORDER NUMBERS: Contract Order numbers or Purchase Order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices and correspondence.

13. PAYMENTS AND INTEREST ON LATE PAYMENTS: Payments may only be made after the delivery of goods or services. Interest may be paid on late payments in accordance with the West Virginia Code.

14. RENEWAL: The Contract may be renewed only upon mutual written agreement of the parties.

15. REJECTION: All goods or materials purchased herein are subject to approval of the Buyer. Any rejection of goods or materials resulting in nonconformity to the terms, conditions or specifications of this Order, whether held by the Buyer or returned to the Seller, will be at the Seller's risk and expense.

16. SELLER: For the purposes of these Terms and Conditions, the "Seller" means the vendor whose quotation, bid, proposal or expression of interest has been accepted and has received a lawfully issued Purchase Order from the Buyer.

17. SHIPPING, PACKING, BILLING & PRICING: Unless otherwise stated, all goods are to be shipped prepaid, FOB destination. No charges will be allowed for special handling, packing, wrapping, bags, containers, etc., unless otherwise specified. All goods or services shall be shipped on or before the date specified in this Order. Prices are those that are stated in this Order. No price increase will be accepted without written authority from the Buyer.

18. TAXES: The State of West Virginia (the Buyer) is exempt from Federal and State taxes and will not pay or reimburse such taxes.

19. TERMINATION: In the event of a breach by the Seller of any of the provisions of this contract, the Buyer reserves the right to cancel and terminate this contract forthwith upon giving written notice to the Seller. The Seller shall be liable for damages suffered by the Buyer resulting from the Seller's breach of contract.

20. WARRANTY: The Seller expressly warrants that the goods and/or services covered by this Order will: (a) conform to the specifications, drawings, samples or other description furnished or specified by the Buyer; (b) be merchantable and fit for the purpose intended; (c) be free and clear of all liens, claims and encumbrances of any kind; and/or (d) be free from defect in material and workmanship. 967—1263

PROMPT PAYMENT ACT OF 1990 (W. VA. CODE §5A-3-54)

INSTITUTION'S RESPONSIBILITY: According to the Prompt Payment Act of 1990 (West Virginia Code §5A-3-54), any properly registered and qualified vendor who supplies services or commodities to an institution is entitled to Prompt payment upon presentation to the institution of a legitimate uncontested invoice. The institution's accounts payable function shall establish institutional procedures to ensure that vendors are paid promptly.

An institution receiving a legitimate uncontested invoice shall process the invoice within ten working days from its receipt. This means that invoices shall be processed at the institution and forwarded to the State Auditor within ten days of receipt of the vendor's legitimate and uncontested invoice. An invoice shall be deemed to have been received on the date it is marked received by the institution, or three days after the date of the postmark made by the United States Postal Service as evidenced on the envelope in which the invoice was mailed, whichever is earlier. If the invoice is received prior to delivery and acceptance of the goods and services, the invoice shall be deemed to be received on the date the goods are delivered and accepted or the services fully performed and accepted.

VENDOR'S RESPONSIBILITY: In order to receive timely payment, vendors have an obligation and responsibility to present invoices that are timely and accurate. An original of a vendor's invoice is needed for payment. The invoice must also contain identical information as shown on the purchase order or contract, such as:

- a. Vendor's name and address
- b. Federal Employer's Identification Number(FEIN);
- c. Purchase order number;
- d. Invoice should be mailed to the proper address at the institution;
- e. Item description and number;
- f. Quantity, unit of measure and/or unit price, and extension of each item;
- g. Invoice total;
- h. Dates of order and shipment;
- i. Back orders, if any;
- j. Cancellations, if any;
- k. Credit memo, if the credit is not part of the invoice; and
- l. Invoices for services rendered must include the dates of service and be prepared according to the payment terms in the contract or purchase order.

INTEREST ON LATE PAYMENT: The Prompt Payment Act of 1990 (West Virginia Code §5A-3-54) entitles a vendor to interest on legitimate and uncontested invoices that have not been paid from the 61st day after the invoice was received until the date when the check was mailed to the vendor. The Act considers an invoice uncontested when it accurately covers the goods and services received. If the invoice is received prior to delivery and acceptance of the goods and services, the invoice shall be deemed to be received on the date the goods are delivered and accepted or the services fully performed and accepted. In order to receive payment for interest if entitled, a vendor must make a request in writing to the State Auditor and provide proof that the vendor received a check for payment of the invoice after the 60 day time limit. If the vendor is entitled to interest, the State Auditor's Office will calculate the interest and pay any amounts due.



INTERMEDIA COMMUNICATIONS / DIGEX
EXHIBIT 1 TO RESPONSE TO RFP NO. 26181
COST PROPOSAL

PAGE 1

The cost of service for DS3 Internet access to Morgantown and Charleston, WV is divided into two components: local access and Internet service.

Local Access

Access to the DIGEX GoldRing network will be provided via dedicated DS3 circuits connected directly to Cisco routers located at a DIGEX POP in Cincinnati, OH or Raleigh, NC, depending on the location. The following table itemizes this connectivity and the cost.

SITE	DIGEX POP	INSTALLATION	MONTHLY COST
Morgantown	Raleigh	\$1,377	\$18,345
Charleston	Cincinnati	\$1,377	\$14,213

Internet Service

Access to the Internet will be provided in accordance with the DIGEX Burstable T3. The DIGEX burstable T3 provides on-demand bandwidth with flexible pricing for reliable usage based service. Burstable services guarantee T3 capabilities 100% of the time. You always have the ability to use the entire DS3, and most importantly, you only pay for what you use.

To calculate the cost of the Burstable T3, DIGEX determines your bandwidth utilization by directly monitoring the traffic on your Internet circuit. All month the usage is sampled, and DIGEX discards the samples in the top 10% of your overall utilization. Your monthly charge is then determined by the 90th percentile. A schedule of these charges is set forth below.

90 th Percentile Avg. Utilization	MONTHLY COST
0 - 12 Mbps	\$9,995
12 - 15 Mbps	\$11,995
15 - 18 Mbps	\$13,995
18 - 21 Mbps	\$15,995
21 - 24 Mbps	\$17,995
24 - 27 Mbps	\$19,995
27 - 30 Mbps	\$21,995
30 - 33 Mbps	\$21,995
33 - 36 Mbps	\$21,995
36 - 39 Mbps	\$21,995
39 - 42 Mbps	\$21,995
42 - 45 Mbps	\$21,995



INTERMEDIA COMMUNICATIONS / DIGEX
EXHIBIT 1 To RESPONSE TO RFP No. 26181
COST PROPOSAL

PAGE 2

Total Cost

The minimum cost of service including local access and Internet service is calculated for each location in the following table. The incremental cost of increased usage can be calculated using the table of Internet service costs above.

SITE	TOTAL INSTALLATION COST	TOTAL MINIMUM MONTHLY COST
Morgantown	\$1,377	\$28,340
Charleston	\$1,377	\$24,208